

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

Senate Bill 34 (Chairman, Finance Committee)
(Departmental - Workers' Compensation Commission)

Finance

**Workers' Compensation - Benefits - Permanent Total Disability - Cost of Living
Adjustment - Consumer Price Index**

This departmental bill alters the reference to Consumer Price Index (CPI) information used in calculating the cost of living adjustment for permanent total workers' compensation benefits.

Because the U.S. Department of Labor now calculates a CPI for the combined Baltimore - Washington, D.C. metropolitan area, it is no longer necessary for the State to calculate an average CPI for the two areas. The bill also shifts the responsibility of determining and reporting the CPI from the Department of Labor, Licensing, and Regulation to the Department of Business and Economic Development (DBED).

Fiscal Summary

State Effect: None. Using one index for the combined areas is expected to produce similar results in the calculation of future cost of living adjustments. Shifting responsibility for determining and reporting the CPI to DBED will not affect State finances.

Local Effect: None.

Small Business Effect: The Workers' Compensation Commission has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Information Source(s): Injured Workers' Insurance Fund; Subsequent Injury Fund; Uninsured Employers' Fund; Workers' Compensation Commission; National Council on

Compensation Insurance, Inc.; Department of Legislative Services

Fiscal Note History:

First Reader - January 25, 1999

ncs/jr

Analysis by: Matthew D. Riven

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 946-5510

(301) 970-5510